

This is a condensed version of the type of cross-cultural business writing that I've done. In all, I wrote more than 70 country-specific training manuals and several other regional guides, each one more extensive than what is excerpted here.

East Asian Cultural Themes

A Confucian Region

The heritage and traditions of East Asia owe a great deal to the influence of Confucianism. The cultural development of China, Japan and Korea were all impacted by Confucian philosophy, as of course were the Chinese cultures of Taiwan, Hong Kong and Singapore.

In 130 B.C., Confucian texts became the foundation for the training of Chinese government officials and remained so for the better part of the next 2,000 years. Confucianism became so widespread in China that during the Han Dynasty (206 B.C. - 220 A.D.) it became the state religion. During the next centuries, Confucian ideals also took hold in the emerging Korean and Japanese civilizations. In all of these cultures, daily activities became governed by strict rules of Confucian conduct.

Despite its religious appearance and influence, Confucianism is a difficult philosophy to describe in purely religious terms. Confucianism does not concern itself as much with spirituality or life after death as with a system of ethics and personal conduct for daily life. Some of the core beliefs of Confucianism include:

- *Respect for family and for one's elders:* Throughout East Asia, there is a great tradition of extended families and veneration for the elderly. Confucius taught the Five Constant Relationships: ruler-subject, father-son, husband-wife, elder brother-younger brother, and friend-friend. Three of these five relate to family, and many Confucian teachings deal with showing respect for one's parents and for the wisdom and experience of the elderly.
- *Li:* There is no easy translation into Western languages for this concept. It is said to mean both propriety and ritual, and has perhaps best been translated as "the way things should be done." Again noting the Five Constant Relationships, Confucius taught that, regardless of which side of the relationship one is on, there are certain obligations one must meet. A ruler has the obligation to provide for his subjects, who in turn need to be loyal. Parents have the obligation to teach their children, who then need to care for their parents in old age. A major tenet of Confucianism is that people should accept and fulfill the roles given them by society.
- *Good government:* One of the major features of Confucius' teachings was on the necessity of good government and trusted rulers. This is perhaps why Confucian teachings formed the basis of East Asian government and civil service training for so many centuries. This, of course, also led to a cultural sense that government should only be managed by an elite group of people. Consequently, the countries of East Asia have typically had less historical interest in sovereignty by the people (as in a democracy), but have traditionally been content with the rule of strong, paternalistic leaders.

Collectivism

Collectivism is a cultural value found throughout East Asia which contrasts with the more Western emphasis on individualism. In a collectivist culture, individuals put group goals and needs ahead of their own personal desires. In fact, this value is sometimes so much a part of the culture that a person may fail to distinguish between personal and community needs, as the survival and cohesiveness of the group is of paramount importance.

Because of this collective emphasis, it is important to maintain harmony within the group, which could be one's family, school, company, or even country. In most all cases, the "we" comes before the "I." Examples include:

- Families are very cohesive, with extended families living with or near each other, and children often remaining to live with their parents until marriage. Children are expected to be obedient to their parents. Although younger Asians are beginning to establish nuclear families in the urban areas of some countries, many people still live in households that may include three or four generations of a family. This familial devotion is one of the primary teachings of Confucius, who said that "the duty of children to their parents is the fountain from which all virtues spring."
- The elderly are considered a valued part of the family and social groups. They are revered for their wisdom and, even in places without public pensions for the aged, they are well taken care of. In some cultures, the first son and his wife are traditionally responsible for taking care of his parents when they retire.
- One of the considerations used in hiring and promoting workers is how well they work with others. Individualism is frowned upon and may be a detriment to success in business. In fact, many Korean companies reward or punish groups of employees based on their collective effort, regardless of any individual success or failure.

Hong Kong is slightly different in that the people exhibit traits of both collectivism and individualism, falling somewhere between the Western and Asian extremes. In Hong Kong, this is a result of the dual influences of its Chinese and British history.

Hierarchy

There is great emphasis in East Asia placed on fixed hierarchical relationships. Everyone is conscious of the social order and of their status relative to others in society. It is expected that each person will show a certain respect for others and accept the obligations that come with one's position in the hierarchy.

Much of this emphasis on hierarchy can also be seen in the teachings of Confucianism. Confucius spoke of the Five Constant Relationships - between parent and child, elder sibling and younger sibling, husband and wife, elder friend and junior friend, and ruler and subject. These relationships determine the ways one is expected to act depending on one's place in the hierarchical order.

Examples of how this emphasis on hierarchy affects daily life in East Asia include:

- In most places, promotions at work are based on age rather than ability. Even if a younger employee has more talent than an older one, the younger employee will show respect and deference to his elder co-worker.
- Most languages do not have simple words for brother and sister. Instead, there are more specific words for siblings which indicate whether the brother or sister is older or younger than the speaker. In China, for instance, younger siblings are generally expected to address an older brother or sister by using a title (*gege* when addressing an older brother, *jiejie* for an older sister). In the Japanese language, there are 10 or more variations of the words "I" and "you." Each use of the word is dependent on the speaker's relationship to the person being addressed, taking into account age, status and other factors.
- In Japan and Korea, people generally greet each other with bows. The person in the more junior hierarchical position always bows first and bows lower. Thus, younger defers to older and student shows respect to teacher. The amount of respect being shown is determined by how low the head is bowed.

Face

The concept behind the value of "*face*" is not new to anyone who has heard the phrase "to save face." For one person to have their face challenged by another can cause embarrassment and anger. In Japan, this concept is called *kao*; in Korea, it is *kibun*. While this concept may not be new, however, it is significant.

In trying to understand the reasons for the value of face, remember that Asian cultures date back thousands of years. They are societies in which people have remained in one place, spending their entire lives in the company of the same relatives, friends and neighbors. Thus, it is important to maintain good relationships among all members of a group, and this is done by avoiding conflicts and helping each other to maintain face.

Face is also tied to the emphasis on hierarchy, as it is important to respect each person's own place in the social order. Causing someone to lose face could be looked at as a challenge to their position in the hierarchy, which could threaten the group. Face is a deep-seated cultural value and is maintained in a reciprocal manner, as one person will be as committed to supporting the face of another as to preserving his or her own face.

Because of these factors, East Asians will carefully consider all possible implications of a decision. They are also unlikely to chastise someone in front of another person. Similarly, even the singling out of individuals for praise may cause embarrassment if it is going to seem to separate that person from the group.

Harmony

Closely tied to the importance of both collectivism and face is the East Asian ideal of harmony, which is known in Japan as *wa* and in Korea as *inhwa*. It might be said that because of the

importance of community, East Asians utilize harmony to save face and thus preserve the group. The importance of this concept lies in the need to maintain a delicate balance between one's actual beliefs and one's stated position, or between the dual needs to compete and cooperate. This desire for harmony is almost the opposite of the Western ideals of being honest, direct and valuing the needs of the individual. In much of East Asia, this behavior would be seen not only as egotistical but as injurious to the group.

In an effort to achieve harmony, East Asians are taught to respect authority, and to value loyalty and unselfishness. They learn to respond to each situation and to seek out a harmonious solution. Whereas Westerners generally abide by a belief in universal laws, regardless of the situation, East Asians are more particularistic, believing that each situation has unique factors that must be harmonized.

It is interesting to note that, until their interaction with the West during the past century or so, the Japanese did not even have a word for *objectivity*. Thus, from this point of view everything tends to be subjective.

Social Reciprocity

An important cultural trait in many East Asian nations is that of social reciprocity. In Chinese cultures, this trait is well-known as *guanxi*. In Japan, it is known as *kashi* and *kari* - literally, "loan" and "debt". It is best thought of as reciprocal favors or assistance that two people provide for each other. But it is not simply a polite way of doing a favor for a favor. It is seen as a serious social duty. Each time one does a favor for or assists another, whether a friend or business associate, it creates an expectation for the person being helped to then provide a favor or gift in return.

In Japan, the simplest example of this would be that while dining with others one never pours his or her own drink. It is poured by a friend or associate, and the favor is returned. It could mean that if you ask your neighbor to do you a favor while you are on vacation, you are obligated to bring a gift in return. But if the gift is too expensive, the neighbor will feel obligated to then give you another, smaller gift.

This reciprocal process is very evident at the business level, as well. If you visit a business associate who entertains you, it is expected that they will be similarly entertained when you are the host. If one business associate does a favor for another, then the recipient of assistance incurs an obligation to provide some assistance in return at a future date.

In China, the concept of social reciprocity is a significant underpinning of the society. Guanxi has been described as a way that Chinese gain leverage in everyday affairs and as "a kind of social investment upon which one may draw later." Perhaps one wishes to make a purchase of a product which is in scarce supply. It is likely that one would need to utilize a guanxi relationship with a business associate, store clerk or some other individual in order to make the necessary connection to purchase this product. In many instances, guanxi may be the only way to find a route through the Chinese bureaucracy.

Lyman Miller, director of China Studies at Johns Hopkin's Paul H. Nitze School of Advanced International Studies, was quoted in *The National Journal* about the Chinese concept of guanxi:

"To some Americans, it may seem mildly like corruption or insider dealings, but in China, it's the natural way of doing things. Everything is done through connections. Things that we'd sort of blanch at are sort of standard operating procedure over there."

View of Time

The East Asian view of time is more oriented toward the past and is long-term. An event that happened long ago in Western terms may be more recent in the Asian view and still exert significant influence on their thinking. This is understandable in light of the fact that some Asian civilizations have been in existence for several thousand years.

In addition, their philosophical traditions cause them to see time as cyclical. This is in contrast to the more linear view of the West, in which time is divided into segments along a straight line, with opportunities needing to be seized in the present. Asians in general have less urgency about immediate achievement. They see life in much longer spans of time than do Westerners and believe that opportunities will present themselves again. There is much less emphasis placed on the meaning of time.

In business, this means that they are not as focused on the present or the short-term future. They certainly plan ahead, but it is more the long-term future, in keeping with their more expansive view of time. This time orientation also means that individuals and businesses can only prove themselves as trustworthy and reliable with the passing of time. There are no quick ways to conquer the Asian business world.

East Asian Business Practices

Overview

The business culture of East Asian companies tends to be both hierarchical and group-oriented. In many ways, East Asian organizations resemble families in their value for group harmony and loyalty and their respect for the most senior and elderly members. Not coincidentally, these are also some of the most important values of Confucianism, which had a significant influence on the cultural development of East Asia.

In an East Asian company, there is considerable emphasis placed on superior and subordinate relationships. This affects the business environment, as interaction always takes place in the context of the hierarchy. There may be prescribed ways of acting, depending on whether another person has a higher or lower rank than oneself. There is not always a presumption of equality between workers. It is common for each person to be seen as having a rank, which is determined by such things as age, work title and education background. Within the hierarchy, however, there are also obligations that go along with status. In this sense, superiors and subordinates have something akin to a parent-child relationship, with the manager responsible for maintaining the harmony of the entire group, or family.

Some of these traits can be seen, for example in the organization of a Japanese office. In Japan, many companies are organized into what has been called the "box system." In each section of the company, desks are arranged in "boxes." The department head, whose desk is at the front of the box, is not a manager in the Western sense of setting goals and tasks. Managers are more responsible for creating the right working environment and morale. They have gained this status as a result of experience and seniority.

Decision-Making and Risk-Taking

The emphasis on hierarchy and harmony are both important to understanding the decision-making process in East Asia. Although decisions are almost always made from above, group consensus is also important in East Asia, even if it is just the consensus of the most senior individuals. In some places, decisions will not be made without the consent of a group. At other times, individuals will have more power, but will still strive for at least the appearance of consensus.

East Asians are also naturally cautious about risk-taking. Among Asian cultures, the Koreans and the Hong Kong Chinese are thought to have more of a risk-taking culture, although they are still more deliberate than are North Americans or some North Europeans, for instance.

Because of their long-term sense of time, East Asians tend to make decisions at a relatively slow pace. They do not feel compelled to make decisions or close a deal in any particular time frame. In addition, businesspeople want to be more sure they can trust another person before entering into a new business relationship.

Another consequence of the East Asian decision-making system is that decisions are often not tied to single individuals. Although a leader may exert more than equal influence on a final

decision, the tendency to strive for consensus often means that single individuals either do not make or do not announce responsibility for decisions. Not only does this mean that a finger cannot be pointed at one person for a bad decision, but also that an outsider often has no individual contact through whom to try influencing a decision.

Following are some aspects of the decision-making process that are representative of East Asian culture:

The Japanese "ringi" System

The Japanese have put their own stamp on the decision-making process. They utilize a system called *ringi*. It first involves an idea being conceived and discussed informally. This digging around or probing for opinions is known as *nemawashi*. Once information and informal opinions have been gathered, a document containing the proposal or idea is circulated. It gains the consensus approval of others at the same organizational level, and then moves on to other department heads. It moves up and down the company, with each manager having the chance to put his *ringo-sho*, or stamp of approval, on the document.

If a strong consensus is not reached, it is sent back to where it originated with suggestions for more work. A proposal only reaches the president after going through all of the other managers. If it receives approval from all managers, then the idea becomes company policy. In this system, then, much of the planning and many of the ideas actually come from the middle management level. This system fits with Japanese culture because everyone buys into new ideas and internal harmony is preserved.

The Korean "pummi" system

In a system similar to the "ringi," some Korean companies use the *pummi* system of decision-making, which translates as "proposal submitted for deliberation." This involves written proposals being sent up through the hierarchy for comment before a decision is reached. Thus, while the Korean system does not insist on consensus, it is still traditional to strive for group agreement.

Authority and Initiative

Throughout East Asia, there is a tradition of deference to authority and of accepting one's place in the hierarchy. Status and age are tremendously important in determining one's authority. In most cases, those at the upper levels of management are the eldest employees. There are not many instances of young talent jumping over older, more experienced co-workers for promotions.

It is also not very common for younger or lower-ranking individuals to take initiative or make a decision on their own. Because of the emphasis on group harmony, individuals are reluctant to do anything that would separate themselves from the group. Thus, it is common for instructions to flow from the top of the hierarchy to the bottom. Decisions are rarely questioned, as loyalty and obedience are important. In fact, in a hierarchical system in which everyone knows their place, employees may not even know the exact views or opinions of their superiors. In addition, the educational systems of most countries tend not to encourage questions or creativity. Individuals are more likely to learn acceptance of the status quo.

Despite this hierarchical culture, however, issues of authority and initiative are not always as clear cut as they may appear on the surface. In Japan, for example, while the people respect the social order and the surface appearances indicate a structured hierarchy, a closer look reveals that managers do not typically direct the work of their subordinates. Rather, Japanese managers are more likely to be in a position of synthesizing the actions of those lower on the hierarchy.

Business Meetings

The East Asian cultures that emphasize group consensus may tend to hold many business meetings. The goal is to keep everyone informed and supportive of policies and decisions. Even if a decision has been largely agreed to ahead of time, businesses will still go through the trouble of discussing it at a meeting so that everyone will feel they have bought into the policy.

Business meetings are likely to have a formal atmosphere. Co-workers greet each other formally. There is often significant emphasis placed on things like seating arrangements. The most senior individuals will be seated near each other, with everyone else arranged according to rank. Because of the vertical nature of society, it is unlikely that employees from very different hierarchical levels would be invited to the same meeting.

East Asians are not given to outbursts of emotion in a public meeting. In fact, anger is very much looked down upon. Korea is an exception, an East Asian culture where a show of anger is sometimes considered within acceptable limits. In most cases, however, it will be difficult to do business with others if you have shown an outburst of anger in their presence. Similarly, individuals will not say anything to cause another person to lose face or become embarrassed. This may extend to not pointing out mistakes or errors during the meeting. Also, opinions will tend to be voiced with the interests of the group in mind, whether that group is the company or the society.

Workers are not likely to question authority, nor to contradict a superior openly. Thus, managers should not expect employees to demonstrate self-assertive behavior. An employee's value is often seen more in their ability to maintain relations with co-workers and to obtain input from other sections of the company.

If you are involved with a presentation during a business meeting, note that many East Asians do not appreciate a hard sell. Their presentation style is to include a lot of facts and objective information. When listening to a presentation, remember that it is considered impolite to ask questions while someone else is speaking. This could mean that the person is not doing an adequate job of presenting the information. Or, by asking for an opinion in front of others, it could put the speaker in an awkward position. Questions may sometimes be asked at the end of a presentation, or later in a more private setting.

Managing Workers

East Asian workers tend to be very loyal. Often, employees view their company as sort of a family. In return for this loyalty, managers must show concern for their employees as a group. It has been said that the main consideration of managers is the morale and spirit of their

subordinates. There is an emphasis on human relationships, personal warmth, and a sense that the manager looks out for the best interests of the employee.

Since the maintenance of group harmony is a vital goal of all managers, it is important to show a personal interest in employees. Managers also need to be inclusive. Group consciousness should be foremost in the manager's mind. A manager should be seen as valuing employees for more than just their productive capacity.

Along with valuing workers as people, it is important to show a sense of trust. Supervisors should not hover and watch over employees. While workers expect to have most decisions made for them, they also want to feel that they can be trusted. Otherwise, they may lose face, or lose confidence in you as a manager.

East Asians may view some Westerners as too rational, trying to follow their head too often and their heart not enough. While a North American or North European will try not to let personal feelings get in the way of business, the Asian is likely to lean in the opposite direction. They are concerned with long-term relationships, with face, and with honor. It is important for the Asian to consider the implications of their words and decisions.

Managers should not move too quickly in implementing change. Asians take a long-term view of events and thus do not view time with great urgency. They are generally not as concerned with missing an opportunity today as they are with building a foundation that will take advantage of future opportunities.

Giving Feedback

East Asians don't separate work and personal relations in quite the same way as many Westerners do. Their culture emphasizes face and personal sensitivity. Therefore, even constructive criticism of an employee's work must be handled carefully. It should never be expressed in front of other people, which would cause the worker to lose face in front of his peers. Rather, criticism should be delivered in a private setting, between the manager and the employee, and even then it should be done in a calm manner. A manager who shows anger may suffer a loss of face and have his effectiveness hampered.

It should be noted that, just as criticism is not delivered in public, neither is praise. In a culture that values group effort and collectivist ideals, it would be uncomfortable for an individual to be praised, as this would set him or her apart from the group. This may cause a loss of face, as well.

Business Relationships

East Asians have a long-term view of business and most transactions are accomplished as a result of personal relationships. This is consistent with their longer view of time, a sense of group interdependence, and a high context culture.

For a non-native to do business in East Asia, it is vital to establish trust by taking the time to supply your own contextual reference points. Relationships that are built on trust can only be developed through time. There are many stories of companies that won contracts only after

months or years of building relationships with high-level corporate or government contacts.

The following quote provides insight into the typical East Asian perspective on business relationships:

"In Korea, business is a personal affair. The product, the profit, and everything else take a backseat to personal relations. If you do not or cannot establish good personal relations with a large network of people, it is either difficult or impossible to do business in Korea."

- *Korean Etiquette & Ethics in Business*, Boye Lafayette De Mente

In much of East Asia, it is essential that one have an introduction from a local contact before approaching any new companies. Such an introduction provides one with recognition that couldn't be gained in any other way. In many places, written inquiries concerning new business relationships may not even be answered.

Once you are able to schedule a meeting with a new business contact, don't expect to accomplish a lot during an initial meeting. In keeping with a long-term view of relationships, the first meeting is likely to be used for getting to know one another and for sizing you up as a potential business partner.

Some things to remember about business relationships in East Asian countries:

- The importance of reciprocal relationships (*guanxi* in China, *kashi* and *kari* in Japan). When a favor is done for another person, that individual is expected to reciprocate in the future. In this way, Asians build "bank accounts" of reciprocity with each other. I do a favor for you today because I know that you will repay the favor in the future. Many deals are as a result of such "behind the scenes" bargaining.
- Be aware of the importance of status. Contact through high government officials, representatives of prestigious companies, or those who have impressive educational credentials, may be looked upon more favorably in gaining an introduction. In the end, though, in all Asian countries, a person's character is what counts and is the one thing that will sustain a relationship.
- Business cards are almost always used. They are vitally important and are treated with the utmost respect. The visitor should initiate the exchange of cards, beginning with the most senior personnel. You should hold the edge of the card (with your right hand, or with both hands) and present it so the other person can read the writing. It may also help to state your name at the same time, so they can hear how you pronounce it as they read it. When you receive a card, don't write on it or place it in your back pocket. Treat it with respect.
- Business entertaining is common. In China and Taiwan, your host may take you sightseeing or may host a banquet for you. In Japan and Korea, after-hours socialization is an important part of the business world. Clients and customers are accustomed to being entertained - at restaurants, bars, nightclubs, or geisha houses.

- Gifts are commonly exchanged in many Asian nations. Even if small, they are an important gesture. There is a Chinese saying: "The gift is trifling, but the feeling is profound." Gifts that may be appropriate include chocolates, alcohol, electronic items, etc. It is also common to exchange greetings several times a year. Religious holidays are excellent times for such correspondence.
- There is a close relationship between government and business in many East Asian countries, so it is also important to build relationships with ministers and bureaucrats. The government has the capacity to positively or negatively influence any business relationship. The best tactic with the government, as with any business, is to actively develop and nurture long-term personal relationships with key officials.

Negotiations

The negotiating process is more of a place for building relationships and maintaining harmony than it is an arena for bargaining and compromising. While East Asians do not mind negotiating competitively, it is important to note that they would usually prefer to conduct these affairs outside the confines of an official meeting. At times, negotiations even tend to be more of a staged event to formalize a deal that has been agreed to behind the scenes. This is another reason that personal relations are important to doing business in this culture. Asians are more inclined to strike a deal with someone they consider trustworthy.

Different Asian countries are likely to have somewhat different styles of negotiation. What does tend to be important throughout the region, however, is the importance of the group. In East Asia, this means that group consensus is vital to the progress of negotiations. Negotiators often come into a bargaining session with set positions that cannot be changed until they are able to hold a separate meeting again as a team.

In addition, the negotiating process tends to be somewhat drawn out. A deal will hardly ever be concluded in one round of talks. It is more likely to take a series of meetings over several months. This is also somewhat attributable to the culture's longer view of time. There is less urgency in the short-term to conclude an agreement.

During negotiations, it helps to remember the Asian tendency to communicate indirectly and to avoid showing great emotion, particularly anger. To provoke an open conflict, or accuse someone of lying or making an error, could seriously damage your efforts at concluding a deal.

Most Asians prefer brief and general agreements of principle rather than specific, detailed contracts. A contract may only run a few pages in length. There is an attitude that one shouldn't do business with someone if a detailed contract is necessary to ensure trust. To an Asian, a contract is not nearly as important as their relationship with another person. This doesn't mean that Asians don't sign contracts. They do use contracts, particularly with foreign firms. However, there is not always a great emphasis on legal issues, because verbal agreements are often seen as binding by force of honor. In many countries, to not honor an obligation could bring shame on that person and his or her family.